

**RESOLUTION GRANTING THIRD ROUND SUBSTANTIVE CERTIFICATION # 64-18**

**Raritan Township, Hunterdon County**

WHEREAS, Raritan Township, Hunterdon County, petitioned the Council on Affordable Housing (COAH) for third round substantive certification on December 30, 2008 of a Housing Element and Fair Share Plan addressing its total 1987-2018 affordable housing obligation; and

WHEREAS, Raritan's petition was deemed complete on March 30, 2009; and

WHEREAS, pursuant to N.J.S.A. 52:27D-313 and N.J.A.C. 5:96-3.5, Raritan Township published notice of its petition in the *Hunterdon Democrat* on April 3, 2009, which is a newspaper of general circulation within the county; and

WHEREAS, during the 45-day objection period, which ended June 14, 2009, COAH received three objections to Raritan's third round plan from David R. Oberlander Esq. on behalf of Linque Flemington, II, LLC (Linque); David N. Kinsey, FAICP/PP on behalf of Raritan Junction, LLC (Raritan Junction); and James T. Kyle, AICP/PP, on behalf of Beazer Homes; and

WHEREAS, Linque subsequently withdrew its objection on January 12, 2010, after executing an agreement with the Township on January 5, 2010; and

WHEREAS, a COAH Pre-mediation Report Requesting Additional Information was issued on December 9, 2009; and

WHEREAS, mediation between Raritan and Raritan Junction and Beazer took place on December 14, 2009; and

WHEREAS, Linque did not attend mediation; and

WHEREAS, the mediation in these matters did not result in settlements and the mediator determined that further mediation before COAH would not result in negotiated settlements; and

WHEREAS, the mediator finds that there are no contested issues of material fact which necessitate referral to the Office of Administrative Law (OAL); and

WHEREAS, Raritan Township's fair share plan addresses its 16-unit rehabilitation obligation, 360-unit prior round obligation and 515-unit projected growth share obligation pursuant to Appendix F of N.J.A.C. 5:97; and

WHEREAS, Raritan Township's plan proposes to address its 16-unit rehabilitation obligation with a 16-unit rehabilitation program that will be administered by NORWESCAP (Northwest New Jersey Community Action Program, Inc.); and

WHEREAS, Raritan Township's plan proposes to address its 360-unit prior round obligation with 360 credits, including: 33 prior cycle credits for group home bedrooms; 96 credits and 14 rental bonuses for completed age-restricted rental units in the Flemington South Gardens development; two credits and two rental bonuses for completed family rental units in the Village Commons inclusionary development; 13 credits for completed family sale units in the South Main Village inclusionary development; 8 credits for completed family sale units in the Stonegate inclusionary development; 24 credits and 24 rental bonuses for special needs bedrooms; 124 RCA credits through completed RCAs with New Brunswick; and 20 RCA credits through a completed RCA with Lambertville; and

WHEREAS, Raritan Township's plan proposes to address a portion of its 515-unit projected growth share obligation with 16 credits for completed family rental units in the Oakridge at Flemington inclusionary development; two surplus credits for completed family sale units in the Stonegate inclusionary development; six credits for approved family rental units in the Mews Municipally Sponsored 100% Affordable Project; four credits for the Mews group home; five credits for ARC group home I; two credits for completed family rental units in the Raritan Motorsports development; six credits for approved family rental units in the Cedar Grove Shopping Center; and five credits for completed family rental units in the Hunterdon Medical Center, for a total of 46 credits; and

WHEREAS, Raritan Township's plan proposes to address its remaining 469-unit projected growth share obligation with 96 units through an extension of expiring controls for the Flemington South Gardens age-restricted development; 84 units and 84 rental bonuses in a proposed Municipally Sponsored 100% Affordable Project known as Flemington Junction; 104 units and 44 rental bonuses in a proposed Municipally Sponsored 100% Affordable Project known as the Dayton Road site; a proposed four bedroom ARC group home (ARC group home II); a proposed four bedroom group home (Stickel); and 50 proposed family for-sale units in the Linque inclusionary development; and

WHEREAS, Raritan Township's plan results in a one-unit surplus; and

WHEREAS, pursuant to N.J.A.C. 5:97-3.2(a)4, Raritan has provided implementation schedules that set forth detailed timetables that demonstrate a realistic opportunity as defined under N.J.A.C. 5:97-1.4 and a timetable for the submittal of all information and documentation required by N.J.A.C. 5:97-6.7 for the future proposed 104-unit municipally sponsored 100 percent affordable housing project on Dayton Road and the Stickel group home; and

WHEREAS, pursuant to N.J.A.C. 5:96-6.2(a)2, on June 21, 2010, COAH issued a Mediation Report and a Compliance Report (Exhibit A) recommending approval of Raritan Township's petition for third round substantive certification; and

WHEREAS, there was a 14-day comment period to submit comments to the COAH Compliance Report and Mediation Report pursuant to N.J.A.C. 5:96-6.2(b), and COAH received no comments; and

NOW THEREFORE BE IT RESOLVED that the Housing Element and Fair Share Plan submitted by Raritan Township comports to the standards set forth at N.J.S.A. 52:27D-314 and meets the criteria for third round substantive certification pursuant to N.J.A.C. 5:96-6.3; and

BE IT FURTHER RESOLVED that the COAH Mediation Report for Raritan Township is accepted; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.3(a) and after having reviewed and considered all of the above, COAH hereby grants third round substantive certification to Raritan Township; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.3(e), Raritan Township shall adopt all implementing Fair Share Ordinances within 45 days of the grant of substantive certification, which includes the affordable housing ordinance and the zoning ordinance for the Linque site; and

BE IT FURTHER RESOLVED that Raritan must submit an executed contract with an administrative agent and an operating manual for the administration of the rehabilitation program within 45 days of the grant of substantive certification; and

BE IT FURTHER RESOLVED that if Raritan Township fails to timely adopt its Fair Share Ordinances and submit an executed contract with an administrative agent and an operating manual for the rehabilitation program, COAH's grant of substantive certification shall be void and of no force and effect; and

BE IT FURTHER RESOLVED that Raritan shall submit all Fair Share Ordinances to COAH within seven days of adoption; and

BE IT FURTHER RESOLVED that Raritan shall comply with COAH monitoring requirements as set forth in N.J.A.C. 5:96-11, including reporting Raritan's actual growth pursuant to N.J.A.C. 5:97-2.5; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:97-4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-10.1, COAH shall conduct biennial plan evaluations upon substantive certification of Raritan's Housing Element and Fair Share Plan to verify that the construction or provision of affordable housing has been in proportion to the actual residential growth and employment growth in the municipality and to

determine that the mechanisms addressing the projected growth share obligation continue to present a realistic opportunity for the creation of affordable housing; and

BE IT FURTHER RESOLVED that if upon any biennial review the difference between the number of affordable units constructed or provided in Raritan and the number of units required pursuant to N.J.A.C. 5:97-2.5 results in a prorated production shortage of 10 percent or greater, the Township is not adhering to its implementation schedules pursuant to N.J.A.C. 5:97-3.2(a)4, or the mechanisms addressing the projected growth share obligation no longer present a realistic opportunity for the creation of affordable housing, COAH may direct Raritan Township to amend its plan to address the shortfall; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:97-2.5(e), if the actual growth share obligation determined is less than the projected growth share obligation, Raritan shall continue to provide a realistic opportunity for affordable housing to address the projected growth share; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.3(b), Raritan's substantive certification shall remain in effect until December 30, 2018; and

BE IT FURTHER RESOLVED that any changes to the facts upon which this substantive certification is based or any deviations from the terms and conditions of this substantive certification which affect the ability of Raritan Township to provide for the realistic opportunity of its fair share of low and moderate income housing and which the Township fails to remedy, may render this certification null and void.

I hereby certify that this resolution was  
duly adopted by the Council on Affordable  
Housing at its public meeting on July 15, 2010

A handwritten signature in cursive script, reading "Renée Reiss".

Renée Reiss, Secretary  
Council on Affordable Housing

# ***Exhibit A***



***Council on Affordable Housing  
Compliance Report  
June 21, 2010***



**Municipality:** Raritan Township  
**County:** Hunterdon County

**COAH Region:** 3  
**Planning Area:** 3, 4, 4B, 5  
**Special Resource Area:** None

**Housing Element and Fair Share Plan Adopted:** 12/9/2008  
**Petition for 3<sup>rd</sup> Round Substantive Certification:** 12/30/2008  
**Completeness Determination:** 3/30/2009  
**Date of Publication:** 4/3/2009

**Objections Received:** Yes

1. Linque Flemington, II, LLC (subsequently withdrawn on January 12, 2010)
2. Raritan Junction, LLC
3. Beazer Homes

**Mediation Commenced:** December 14, 2009  
**Mediation Concluded:** December 14, 2009

**Petition Includes:**

**VLA:** No  
**GPA:** No  
**Waiver:** No

**Date of Site Visit:** October 5, 2009

**History of Approvals:**

	<b>COAH</b>	<b>JOC</b>	<b>N/A</b>
<b>First Round:</b>	1/5/1988		
<b>Second Round:</b>	10/11/1995		
<b>Extended Certification:</b>	7/27/2005		

**Plan Preparer:** Jamie Sunyak, P.P., AICP

**Municipal Housing Liaison:** Jamie Sunyak, P.P., AICP – Township Planner  
**Recommendation:** Grant Substantive Certification

***SUMMARY OF FAIR SHARE OBLIGATION***

Rehabilitation Share	16
Prior Round Obligation	360
Projected Growth Share Obligation	515

***ACTUAL GROWTH and GROWTH SHARE through September 2008<sup>1</sup>***

Res Units (#)	Actual Res Growth Share	Jobs (#)	Actual Non-Res Growth Share	Actual TOTAL Growth Share
453	90.6	2,835	177.2	268 units

***COMPLIANCE PLAN SUMMARY***

Obligation	Credit/ Mechanism Type	# Units Completed	# Units Proposed	TOTAL
<b>Rehabilitation: 16 units</b>				
<b>Program(s)</b>	Municipal		16	
<b>Rehabilitation Subtotal</b>				<b>16</b>
<b>NEW CONSTRUCTION:</b>				
<b>Prior Round: 360 units</b>				
<b>Credits</b>	Prior Cycle	33		33
	Post-1986	143		143
	RCA	144		144
<b>Prior Round Bonus(es)</b>	Rental	40		40
<b>Prior Round Subtotal</b>				<b>360</b>
<b>Growth Share: 515 units</b>				
<b>Credits</b>	Post-1986	46		46
<b>Proposed Mechanism(s)</b>	Inclusionary Development		50	50
	Extension of Expiring Controls		96	96
	Municipally Sponsored 100% Affordable		188	188
	Supportive/Special Needs Housing		8	8
<b>Growth Share Bonus(es)</b>	Rental		128	128
<b>Growth Share Subtotal</b>				<b>516</b>
<b>Surplus</b>				<b>+1</b>

<sup>1</sup> This growth share number does not take into account allowable exclusions permitted under N.J.A.C. 5:97-2.4; therefore, the actual growth share may vary.



## **I. HOUSING ELEMENT**

Pursuant to N.J.S.A. 40:55D-28(b), the Housing Element is a required section of the Municipal Master Plan. The Housing Element must be designed to achieve the goal of access to affordable housing to meet existing and future housing needs, with special attention given to low- and moderate-income households. The housing needs analysis must include demographic information on existing and projected housing stock and employment characteristics, a quantification of low- and moderate-income housing need, and a consideration of the lands within the municipality that are most appropriate to accommodate such housing. Raritan's Housing Element includes sufficient information regarding housing stock, demographic and employment characteristics and population trends pursuant to N.J.S.A. 52:27D-310.

Under N.J.A.C. 5:97-2.1(b), the Housing Element must also set forth the municipality's fair share obligation, which is the sum of the rehabilitation share, the prior round obligation, and the growth share.

### **A. Rehabilitation Share**

The rehabilitation share is the number of existing housing units within a municipality as of April 1, 2000, that are both deficient and occupied by households of low or moderate income. As indicated in Appendix B of N.J.A.C. 5:97, Raritan Township's rehabilitation share is 16 units.

### **B. Prior Round Obligation**

The prior round obligation is the cumulative 1987-1999 new construction obligation provided in Appendix C of N.J.A.C. 5:97. Raritan has a prior round obligation of 360 units.

### **C. Projected Growth Share**

The projected growth share is initially calculated based on household (residential) and employment (non-residential) 2004-2018 projections. Pursuant to Appendix F of N.J.A.C. 5:97, Raritan has a residential projection of 1,360 units and a non-residential projection of 3,882 jobs,

which results in a projected growth share obligation of 515 affordable units<sup>2</sup>.

#### **SUMMARY OF FAIR SHARE OBLIGATION**

Rehabilitation Share	16
Prior Round Obligation	360
Projected Growth Share Obligation	515

## **II. FAIR SHARE PLAN**

A Fair Share Plan, as required under N.J.A.C. 5:97-3.1, describes the completed or proposed mechanisms and funding sources, if applicable, that will be utilized to specifically address a municipality's rehabilitation share, prior round obligation, and growth share obligation and includes the draft ordinances necessary to implement that plan. Affordable housing must be provided in direct proportion to the growth share obligation generated by the actual growth.

Raritan Township's Fair Share Plan, and the supporting documentation incorporated by reference therein, address the requirements of N.J.A.C. 5:97-3.1 as follows:

### **A. Plan to Address Rehabilitation Share**

#### **Rehabilitation Share Credits**

Raritan's Housing Element and Fair Share Plan does not include a request for rehabilitation credit.

#### **Proposed Rehabilitation Program(s)**

Raritan is proposing to address its 16-unit rehabilitation obligation through a municipally sponsored local rehabilitation program. The rehabilitation program must adhere to the regulations in N.J.A.C. 5:97-6.2, including having the program available to both owner-occupied and renter-occupied units. All units undergoing rehabilitation must have 10-year controls on affordability in place. In addition, the rehabilitation investment for hard costs must average at

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<sup>2</sup> Pursuant to N.J.A.C. 5:97-2.2(d), Raritan's residential projection of 1,360 is divided by 5 to yield 272 units and the nonresidential projection of 3,882 jobs is divided by 16 to yield 242.63 units. Raritan's total projected growth share is therefore 515 units (272 + 242.63).

least \$10,000 per unit, address all safety code violations, and include the rehabilitation of a major system. On June 15, 2010 Raritan adopted a resolution authorizing a contract with NORWESCAP (Northwest New Jersey Community Action Program, Inc.) as the administrative agent of the rehabilitation program. Within 45 days of substantive certification, the Township must submit an executed contract with NORWESCAP. The Township must also provide an operating manual for the administration of the program within 45 days of substantive certification. The Township has provided an affirmative marketing plan. The rehabilitation program will be funded with the Township's affordable housing trust fund. The Township has provided an implementation schedule for the rehabilitation program in its spending plan that provides sufficient dollars to fund no less than half of the municipal rehabilitation component by the mid-point of the substantive certification period, and has submitted a resolution of intent to bond, adopted on April 7, 2009, in the event of a shortfall in funding. **[16-unit rehabilitation program]**

**Proposed Rehabilitation Program(s)**

<b>Rehabilitation Program</b>	<b># Units</b>
Municipal Rehab Program	16
<b>TOTAL</b>	<b>16</b>

**B. Plan to Address Prior Round Obligation**

**Prior Round Credits**

Raritan is addressing its 360-unit prior round obligation with 33 prior cycle credits and 287 post-1986 credits and 40 bonuses, totaling 360 credits. In accordance with N.J.A.C. 5:97-4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11.

**Prior Cycle Credits**

<b>Project/Development Name</b>	<b>Year Built or Approved</b>	<b>Type of Affordable Unit</b>	<b># Units/Bedrooms</b>	<b>Total Units/Bedrooms</b>
Easter Seals group homes	1985-1986	Supportive/Special Needs	18	<b>18</b>
ARC group home	1987	Supportive/Special Needs	5	<b>5</b>
Good News Home	1984	Supportive/Special Needs	3	<b>3</b>
Cherryville group home	1982	Supportive/Special Needs	4	<b>4</b>
Ringoes group home	1987	Supportive/Special Needs	3	<b>3</b>
<b>TOTALS</b>			<b>33</b>	<b>33</b>

**Post-1986 Credits**

<b>Project/Development Name</b>	<b>Year Built or Approved</b>	<b>Type of Affordable Unit</b>	<b># Units/Bedrooms</b>	<b>Bonus Type</b>	<b># Bonuses</b>	<b>Total Units/Bedrooms + Bonuses</b>
Flemington South Gardens 100% affordable	1991	Age-restricted Rental	96	Rental	14	<b>110</b>
South Main Village inclusionary development	1993	Family For Sale	13	-	-	<b>13</b>
Village Commons inclusionary development	1996	Family Rental	2	Rental	2	<b>4</b>
Stonegate inclusionary development <sup>3</sup>	1993	Family For Sale	8	-	-	<b>8</b>
New Brunswick RCA	1996	RCA	54	-	-	<b>54</b>
New Brunswick RCA	1999	RCA	14	-	-	<b>14</b>
New Brunswick RCA	1999	RCA	53	-	-	<b>53</b>
New Brunswick RCA	2001	RCA	3	-	-	<b>3</b>
Lambertville RCA	2003	RCA	20	-	-	<b>20</b>
Good News Home	2008	Supportive/Special Needs	14	Rental	14	<b>28</b>
Morning Star	1996	Supportive/Special Needs	10	Rental	10	<b>20</b>
<b>TOTALS</b>			<b>287</b>		<b>40</b>	<b>327</b>

**Proposed Affordable Housing Mechanisms**

Raritan Township is relying on credits and therefore is not proposing any additional affordable housing mechanisms to address its Prior Round Obligation.

<sup>3</sup> The project contains 10 affordable sale units. Eight of the units will be used to address the Township's prior round obligation and the remaining two units will be carried over to the growth share obligation.

### **Prior Round Obligation Parameters**

Raritan Township has satisfied the applicable Prior Round parameters as follows:

#### **Prior Round Rental Obligation:<sup>4</sup> 82 Units**

<b>Development/Project Name</b>	<b>Type of Affordable Unit</b>	<b># Units</b>
Flemington South Gardens	Age-restricted Rental	96
Village Commons	Family Rental	2
Good News Home	Supportive/Special Needs	14
Morning Star	Supportive/Special Needs	10
<b>TOTAL</b>		<b>122</b>

#### **Prior Round Age-Restricted Maximum:<sup>5</sup> 96 Units**

<b>Development/Project Name</b>	<b>Type of Affordable Unit</b>	<b># Units</b>
Flemington South Gardens	Age-restricted Rental	96
<b>TOTAL</b>		<b>96</b>

<sup>4</sup> Rental Obligation:  $.25$  (Prior Round Obligation-Prior Cycle Credits) or  $.25(360-33) = 81.75$  or 82 units N.J.A.C. 5:97-3.10(b)1

<sup>5</sup> Age-Restricted Maximum:  $.25$  (Prior Round Obligation + Rehabilitation Share - Prior Cycle Credits - Rehabilitation Credits - Transferred RCA Units Addressing the Prior Round Obligation) or  $.25(360+16-33-0-144) = 49.75$  or 50 units. N.J.A.C. 5:97-3.10(c)1. However, as part of its second round substantive certification, the Township was able to utilize the 96 age-restricted units in Flemington South Gardens toward its prior round obligation. Pursuant to N.J.A.C. 5:97 4.1(c), COAH will honor the number of age-restricted credits included in the previously certified plan if the mechanism that was included in that certification still presents a realistic opportunity. Therefore, Raritan's age-restricted cap is 96.

**Regional Contribution Agreement (RCA) Maximum:<sup>6</sup> 171 Units**

Receiving Municipality(s)	Type of Affordable Unit	# Units
New Brunswick RCA	RCA	54
New Brunswick RCA	RCA	14
New Brunswick RCA	RCA	53
New Brunswick RCA	RCA	3
Lambertville RCA	RCA	20
<b>TOTAL</b>		<b>144</b>

**Prior Round Rental Bonus Maximum:<sup>7</sup> 82 Units**

Development/Project Name	Type of Bonus	# Bonuses
Flemington South Gardens	Age-restricted Rental	14
Village Commons	Rental	2
Good News Home	Supportive/Special Needs	14
Morning Star	Supportive/Special Needs	10
<b>TOTAL</b>		<b>40</b>

**C. Plan to Address Projected Growth Share**

**Growth Share Credits**

Raritan Township is addressing a portion of the 515-unit projected growth share obligation with 46 units of credit for built or approved units. In accordance with N.J.A.C. 5:97-

<sup>6</sup> RCA Maximum:  $.50(\text{Prior Round Obligation} + \text{Rehabilitation Share} - \text{Prior Cycle Credits} - \text{Rehabilitation Credits})$  or  $.50(360+16-33-0) = 171.5$  or 171 N.J.A.C. 5:97-3.10(d)1

<sup>7</sup> No rental bonuses shall be granted for rental units in excess of the prior round rental obligation, therefore, PR Rental Bonus Maximum = PR Rental Obligation = 82 units N.J.A.C. 5:97-3.5

4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11.

**Approved But Not Constructed**

***The Mews (Countryside) 100 Percent Affordable Municipally Sponsored Project***

Pursuant to N.J.A.C. 5:97-6.7, Raritan is proposing eight affordable rental units in a 100 percent affordable project to be developed by Countryside Plaza, LLC. The project will contain six family rental units and two units that will be rented to the ARC of Hunterdon for special needs households. The two ARC units will have two bedrooms each. Countryside was granted preliminary and final site plan approval for the eight rental unit apartment building from the Township Zoning Board of Adjustment (ZBA) on February 7, 2008. The building is not constructed yet.

Pursuant to N.J.A.C. 5:97-3.13, the Township indicates that the site is suitable. The Mews site is located in the central part of the Township at 215 Highway 12 (Block 44, Lot 50). The site is owned by Aponte Construction, Inc., which has a contract of sale with Countryside. Aponte has approvals to construct an office building, but decided to sell the property to Countryside to build the affordable apartment building. The site is approximately 1.7 acres. The site was previously zoned B-1, Commercial prior to the use variance. The site is surrounded by residential and commercial uses.

The Mews site is located in Planning Area 3. The Township indicates that the property is free from natural environmental constraints. The western, northern, and a small portion of the southeastern corner of the site contains wetlands; however the Township indicates that one acre is developable. The site has a Wetlands Letters of Interpretation/Line Verifications from the NJ Department of Environmental Protection (DEP). The development will be served by public sewer and an on-site well. The site is located within the Raritan Township Utilities Authority sewer service area.

Pursuant to N.J.A.C. 5:97-6.7(d)2, Raritan has demonstrated that the developer has site control, by submitting an executed Sale Agreement, dated November 6, 2006. The Township



has provided a Housing Trust Fund Agreement, which was executed by the Township, Countryside and ARC on December 22, 2008.

Raritan has submitted financing information and a rental income analysis for the project. In addition, the Township has submitted a development schedule. The construction schedule indicates that building permits are anticipated to be issued in June/July 2010, which is within two years of substantive certification pursuant to N.J.A.C. 5:97-6.7(b)3 .

Countryside is funding the project with its own funds and funds from the Township's affordable housing trust fund. The Township has committed to providing \$666,545 to the project from its affordable housing trust fund and additional funding is being provided in the amount of \$307,056, by way of the Township's waiver of development fees from future projects. Raritan has submitted a resolution of intent to bond in the event of a shortfall in funding that was adopted on April 7, 2009.

The affordable units must meet the requirements of the Uniform Housing Affordability Controls (N.J.A.C. 5:80-1 et seq.) with regard to controls on affordability, affirmative marketing, rental pricing, low/moderate split and bedroom distribution. Prior to marketing the affordable units, Raritan must submit the required items pursuant to N.J.A.C. 5:97-6.7(e). **[6 family rental units in a municipally sponsored 100 percent affordable development, and 4 special needs bedrooms]**

#### ***Cedar Grove Shopping Center Inclusionary Development***

As part of an approval for an office complex (three office buildings), the developer of the Cedar Grove Shopping Center (also known as Nassau Park) is providing six affordable family rental units. The site is located at 111 Highway 31 (Block 18.01, Lot 12.04) and is 6.72 acres. The site was granted preliminary and final approval from the Township's Planning Board on May 23, 2006, and an amendment to the approval was granted on July 8, 2008, to allow for the six units to be constructed in a separate building. The office buildings are under construction, and the Township anticipates that construction on the residential portion of the project will begin this year. The affordable units were created as a result of the Township's then adopted growth share ordinance adopted in 2005. The units will be in a separate building from the office

buildings. The site is located in Planning Area 3. There are wetlands on the site but they do not impact the developability of the site. The development will be served by public water and sewer. Residential and commercial uses surround the site.

The affordable units must meet the requirements of the Uniform Housing Affordability Controls (N.J.A.C. 5:80-1 et seq.) with regard to controls on affordability, affirmative marketing, rental pricing, low/moderate split and bedroom distribution. Prior to marketing the affordable units, Raritan must submit the required items pursuant to N.J.A.C. 5:97-6.4(k). **[6 post-1986 family rental credits]**

### ***M & R Development***

Pursuant to N.J.A.C. 5:97-4.3(a), Raritan's plan requested credit for affordable units that were proposed in a project known as M & R Development. The site is located at 169 Highway 31 (Block 15, Lot 70) and is approximately 11 acres. The site received approval from the Township's ZBA on February 1, 2007, but is not constructed yet. On March 6, 2008, the ZBA granted the developer an extension of time to revise the site plan to comply with the conditions of the approval. The development involves the construction of a warehouse and a quadplex building containing four affordable rental units with the proper bedroom distribution. The affordable units were a requirement of the Township's then adopted growth share ordinance adopted in 2005. The ordinance only required the developer to provide one affordable unit in relation to the warehouse. However, the developer proposed to construct three additional affordable units so that the Township could make the units available to other developers for a fee to satisfy their affordable housing obligations under the growth share ordinance. However, the ZBA approval required that the developer obtain construction permits for the affordable units within two years of the approval date, or all relief granted in the approval automatically expire. In addition, because the growth share ordinance is no longer in place, there is no assurance that the developer will proceed to build four affordable units without the fees anticipated to be paid to him. In the future, if the development is constructed, the Township may again request credit for the affordable units. **[0 credits]**

**Post-1986 Credits**

<b>Project/Development Name</b>	<b>Year Built or Approved</b>	<b>Type of Affordable Unit</b>	<b># Units/Bedrooms</b>	<b>Bonus Type</b>	<b># Bonuses</b>	<b>Total Units/Bedrooms + Bonuses</b>
Oakridge at Flemington inclusionary development <sup>8</sup>	1996	Family Rental	16	-	-	<b>16</b>
Stonegate inclusionary development surplus units <sup>9</sup>	1993	Family For Sale	2	-	-	<b>2</b>
The Mews (Countryside) Municipally Sponsored 100% Affordable Project	2008	Family Rental	6	-	-	<b>6</b>
The Mews (Countryside) ARC group homes	2008	Supportive/Special Needs	4	-	-	<b>4</b>
ARC group home I	2002	Supportive/Special Needs	5	-	-	<b>5</b>
Raritan Motorsports	2009	Family Rental	2	-	-	<b>2</b>
Cedar Grove Shopping Center	2006	Family Rental	6	-	-	<b>6</b>
Hunterdon Medical Center	2006	Family Rental	5	-	-	<b>5</b>
M & R Development	2007	Family Rental	0	-	-	<b>0</b>
<b>TOTALS</b>			<b>46</b>		<b>0</b>	<b>46</b>

<sup>8</sup> The controls on affordability are in place for 30 years. Pursuant to N.J.A.C. 5:97-4.3(g), the controls on affordability are in place through 2026 for Oakridge at Flemington.

<sup>9</sup> Stonegate contains 10 affordable sale units. Eight of the units address the Township's prior round obligation and the remaining two units address the growth share obligation. The controls on affordability are in place for 30 years. Pursuant to N.J.A.C. 5:97-4.3(g), the controls on affordability are in place through 2023 for Stonegate.

### **Proposed Affordable Housing Mechanisms**

The Township proposes to address its remaining 469-unit projected growth share obligation through the following mechanisms:

#### ***Flemington South Gardens-Extension of Expiring Controls***

Pursuant to N.J.A.C. 5:97-6.14, Raritan is proposing to address a portion of its growth share obligation by extending expiring affordability controls in accordance with UHAC on 96 age-restricted rental units at the Flemington South Gardens development. Flemington South Gardens is located at 30 and 63 Manchester Road (Block 71.16, Lot 51 and Block 71.17, Lot 1). The affordable units were completed between 1988 to 1990. The affordable units have 20-year controls on affordability and will expire during the third round period (half in June 2008 and the remaining in July 2010). The Township will be providing \$650,000 in infrastructure improvements for the Flemington South Gardens development and property for the location of a water pump station for a separate project to the owner. The Township has submitted a spending plan with the \$650,000 allocated for the infrastructure improvements, and a resolution of intent to bond in the event of a shortfall in funding that was adopted by the Township on April 7, 2009.

Pursuant to N.J.A.C. 5:97-6.14(b)2, Raritan has submitted an executed affordable housing trust fund agreement that provides evidence of a written commitment from the owner (Flemington South Gardens, Inc.) to extend the controls on affordability and a sample 30-year deed restriction in accordance with UHAC. Raritan must adhere to N.J.A.C. 5:97-6.14, including having the municipal building inspector either issue a continuing certificate of occupancy for each unit or certify that the units meet all code standards. **[96 age-restricted rental units - Extension of Expiring Controls]**

#### ***Flemington Junction Municipally Sponsored 100% Affordable Project - Ingerman***

Pursuant to N.J.A.C. 5:97-6.7, Raritan is proposing to construct 84 affordable family rental units in a 100 percent affordable project, of which nine will be reserved as very-low income units. The project received Preliminary Major Site Plan approval from the Township's Planning Board on November 13, 2008.

Pursuant to N.J.A.C. 5:97-3.13, the Township indicates that the site is suitable. The Flemington Junction site is located in the eastern part of the Township on Junction Road (Block 16.01, Lots 37.01 and 54). The site is owned by Junction Road Associates, which has of contract for sale with MBI Development Company. MBI is part of the Ingerman Group of companies. The development of the property is being managed by Ingerman Group, which is an affordable housing development and management company. The site is approximately 11.59 acres. Raritan rezoned the site on April 28, 2008, to R-10, 100% Affordable Housing, to permit the development.

The Flemington Junction site is located in Planning Area 3. The site has direct access to Junction Road. The property is surrounded by commercial development to the west, recreational/parkland to the north, agricultural uses to the east, and a warehouse to the south. The Township indicates that the site contains wetlands and wetlands buffers on the north portion of the site, but the wetlands are only impacted by the waterline crossing (South Branch Raritan River). The site has a Wetlands Letter of Interpretation/Line Verifications from the NJ Department of Environmental Protection (DEP). The Township indicates that there are approximately nine acres of buildable area on the site. The development will be served by public water and sewer. The Township has provided a renewal agreement for the reservation of wastewater treatment capacity for the project from the Raritan Township Municipal Utilities Authority. The Township also submitted a letter from New Jersey American Water indicating that there is a water main along Minneakoning Road that could be the point of service for the project.

Pursuant to N.J.A.C. 5:97-6.7(d)2, Raritan has demonstrated that the developer has site control, by submitting an executed Purchase and Sale Agreement, dated February 7, 2007, and amended on May 4, 2007, June 15, 2008, December 15, 2008, and June 1, 2010. The MBI Development Company is the contract purchaser of the site. The Township has submitted an agreement (housing trust fund agreement) that was executed in August 2008 with MBI Development. An Agreement for a Payment in Lieu of Taxes (PILOT) was executed in February 2009.

Raritan has submitted the Ingerman Group's financing study and a rental income analysis for the project. Ingerman has submitted a preliminary schedule for construction. Ingerman

anticipates that they will receive a funding commitment in January 2011, and that construction will begin in August 2011, which is within two years of substantive certification pursuant to N.J.A.C. 5:97-6.7(b)3. They anticipate that construction will be completed by December of 2012, or 14 months from the start date.

The Ingerman Group proposes to fund the project with Balanced Housing, NJHMFA tax credits, NJHMFA permanent financing and Home Express Funds. Pursuant to the executed housing trust fund agreement, the Township will be providing \$1,000,000, in addition to the PILOT. The Township has submitted resolutions supporting the project to HMFA and Balanced Housing. The Township has submitted a spending plan, with the \$1,000,000 allocated for the project, and a resolution of intent to bond in the event of a shortfall in funding that was adopted by the Township on April 7, 2009.

Raritan is requesting 84 rental bonuses for the affordable units. The Township should note that in the event the units are not constructed in accordance with its construction schedule, Raritan may lose the rental bonuses pursuant to N.J.A.C. 5:97-3.6(a)3ii.

The affordable units must meet the requirements of the Uniform Housing Affordability Controls (N.J.A.C. 5:80-1 et seq.) with regard to controls on affordability, affirmative marketing, rental pricing, low/moderate split and bedroom distribution. The Ingerman Group will act as the administrative agent for the project. Prior to marketing the affordable units, Raritan must submit the required items pursuant to N.J.A.C. 5:97-6.7(e). **[84 family rental units in a municipally sponsored 100 percent affordable development, plus 84 rental bonuses]**

#### ***Dayton Road Municipally Sponsored 100% Affordable Project***

Pursuant to N.J.A.C. 5:97-6.7, Raritan is proposing to construct 104 affordable family rental units in a 100 percent affordable project on a 19.557 acre property that the Township owns. The Township is also proposing to deed restrict 21 of the units for very-low income households.

The Dayton Road site is located in the south central part of the Township at 68 Dayton Road (Block 63.14, Lot 23). Pursuant to N.J.A.C. 5:97-3.13, the Township indicates that the portion of the site that will be developed is suitable. The site is located in Planning Area 3 and is

currently zoned R-3, Residential. The site has direct access to Dayton Road. The property is surrounded by residential development to the north and west, a car storage lot to the south, and a railroad to the east. The Township indicates that the site contains wetlands and wetlands buffers on the west portion of the site, but the wetlands have already been placed onto conservation easements. A small portion of the site is in a 100-year flood zone, however, the Township indicates that this portion is also in the wetlands and therefore no development or disturbance will affect this area. In addition, two Category-2 waterbodies exists on the east of the parcel (Walnut Brook and First Neshanic River). However, the Township indicates that the buffers associated with the waterbodies are also within the conservation easement encompassing the wetlands. The Township indicates that there are approximately 10 acres of buildable area on the site. The development will be served by public water and sewer.

Raritan indicates that it will partner with a non-profit to construct the units. The Township has submitted a spending plan and a resolution of intent to bond in the event of a shortfall in funding that was adopted on April 7, 2009. The Township's spending plan allocates \$3,400,000 for the project.

Pursuant to N.J.A.C. 5:97-3.2(a)4, the Township has provided an implementation schedule that sets forth a detailed timetable demonstrating a realistic opportunity as defined under N.J.A.C. 5:97-1.4 and a timetable for the submittal of all information and documentation required by N.J.A.C. 5:97-6.7. The Township's mechanism checklist form includes a timetable for each step of the development process in accordance with N.J.A.C. 5:97-6.7(d), with building permits being issued in 2015, requiring that supporting documentation be submitted to COAH in 2013, two years before construction begins. The Township anticipates that it will issue a Request for Proposals in January 2013 and that the project will receive site plan approvals in January 2014. The Township anticipates that certificates of occupancy will be issued in 2016.

The affordable units must meet the requirements of the Uniform Housing Affordability Controls (N.J.A.C. 5:80-1 et seq.) with regard to controls on affordability, affirmative marketing, rental pricing, low/moderate split and bedroom distribution. Prior to marketing the affordable units, Raritan must submit the required items pursuant to N.J.A.C. 5:97-6.7(e).

Raritan is requesting 44 rental bonuses for the affordable units. The Township should note that in the event the units are not constructed in accordance with its implementation schedule, Raritan may lose the rental bonuses pursuant to N.J.A.C. 5:97-3.6(a)3ii. In addition, at the Township's biennial plan evaluations, COAH will evaluate the Township's actual growth share obligation and may require that the project's construction schedule be implemented sooner. **[104 family rental units in a municipally sponsored 100 percent affordable development plus 44 rental bonuses]**

***Supportive and Special Needs Housing-ARC Group Home II***

Pursuant to N.J.A.C. 5:97-6.10, Raritan is proposing to provide \$225,000 from its housing trust fund to ARC for the purchase of a four-bedroom single family home. ARC will convert the existing home into a group home for individuals with development disabilities. Site acquisition occurred on October 22, 2009, and a building permit was issued on November 12, 2009. The home is currently undergoing complete renovation of the interior space and ARC has applied for operating funding. Occupancy is expected by the end of the summer 2010.

Raritan has provided a letter of intent from ARC and a resolution passed by the Township governing body on November 10, 2008, committing to the expenditure. Raritan has submitted a resolution of intent to bond in the event of a shortfall in funding that was adopted on April 7, 2009. An affordable housing trust fund agreement was executed by the Township and ARC on April 7, 2010.

Raritan's Fair Share Plan includes four very-low income bonuses for the group home bedrooms. Pursuant to N.J.A.C. 5:97-3.7(b), very-low income bonuses may only be granted for family units. **[4 Special Needs bedrooms]**

***Supportive and Special Needs Housing-Stickel group home***

Pursuant to N.J.A.C. 5:97-6.10, Raritan is proposing to waive development fees in the amount of \$250,000 for approvals for Stickel, a for-profit developer, in exchange for the developer partnering with a special needs provider for the creation of a four-bedroom group



home. Stickels received final major subdivision approval from the Township's Planning Board on March 22, 2005, for 36 conforming lots to develop single-family homes. Raritan has indicated that the developer will buy an existing house or construct a new house and turn it over to a special needs provider. Raritan indicates that negotiations between Stickel and the Township have concluded and an agreement is close to being finalized. Raritan has submitted a resolution of intent to bond in the event of a shortfall in funding that was adopted on April 7, 2009.

Pursuant to N.J.A.C. 5:97-3.2(a)4, the Township has provided an implementation schedule that sets forth a detailed timetable demonstrating a realistic opportunity as defined under N.J.A.C. 5:97-1.4 and a timetable for the submittal of all information and documentation required by N.J.A.C. 5:97-6.10. The Township's mechanism checklist form includes a timetable for each step of the development process in accordance with N.J.A.C. 5:97-6.10(e), with building permits anticipated to be issued in April 2015, requiring that supporting documentation be submitted to COAH in April 2013, two years before construction begins. The Township anticipates that a certificate of occupancy will be issued in January 2016 **[4 Special Needs bedrooms]**

### ***Linque Inclusionary Zoning***

The Linque site is included in the Township's plan for 250 total units, which includes 50 affordable family units. The Township is also proposing to deed restrict five of the units for very-low income households.

Pursuant to N.J.A.C. 5:97-3.13, the Township indicates that the portion of the site that will be developed is suitable. The Linque site is located in the eastern portion of the Township at 218 Pennsylvania Avenue (Block 36, Lot 17). The site has direct street access to Case Boulevard. The site is owned by Linque Flemington II, LLC and is approximately 99 acres. The site is presently zoned Restricted Industrial (I-1) and the site is surrounded by residential and industrial uses. The Township indicates that there is a natural buffer to the west and the north.

The Linque site is located in Planning Area 3. The Township indicates that the site contains some wetlands, but the wetlands will be placed into conservation easements. In addition, a Category-2 waterbody (Bushkill Brook) borders the west and north portions of the

parcel, but it will not affect the ability to develop the site. The Township indicates that there are approximately 90 acres of buildable area on the site. The site will be served by public water and sewer. The property is within the Raritan Township Municipal Utilities Authority (RTMUA) sewer service area and Linque is currently in negotiations with the RTMUA to transfer sewer capacity to the property.

Pursuant to N.J.A.C. 5:97-6.4(b)3.ii, Raritan has submitted an executed agreement between the Township and developer (executed on January 5, 2010) setting forth agreed to terms for the production of affordable housing on this site. The agreement provides that Linque will provide 250 market rate age-restricted units, and 50 affordable family rental or for-sale units on site (the affordable units will be in a separate building and for the purpose of this report are considered sale units). Raritan has also submitted a draft zoning ordinance for the development, which must be adopted by the Township within 45 days of substantive certification and submitted to COAH.

The affordable units must meet the requirements of the Uniform Housing Affordability Controls (N.J.A.C. 5:80-1 et seq.) with regard to controls on affordability, affirmative marketing, pricing, low/moderate split and bedroom distribution. Prior to marketing the affordable units, Raritan must submit the required items pursuant to N.J.A.C. 5:97-6.4(k). **[50 family units]**

**Proposed Affordable Housing Mechanisms**

<b>Type/Name of Affordable Housing Mechanism</b>	<b>Type of Affordable Unit</b>	<b># Units/Bedrooms</b>	<b>Bonus Type</b>	<b># Bonuses</b>	<b>Total Units/Bedrooms + Bonuses</b>
Flemington South Gardens-extension of expiring controls	Age-restricted Rental	96	-	-	<b>96</b>
Flemington Junction Municipally Sponsored 100% Affordable Project	Family Rental	84	Rental	84	<b>168</b>
Dayton Road Municipally Sponsored 100% Affordable Project	Family Rental	104	Rental	44	<b>148</b>
ARC group home II	Supportive/Special Needs	4	-	-	<b>4</b>
Stickel group home	Supportive/Special Needs	4	-	-	<b>4</b>
Linque Inclusionary Zoning	Family For-sale	50	-	-	<b>50</b>
<b>TOTALS</b>		<b>342</b>		<b>128</b>	<b>470</b>

### **Growth Share Parameters**

Raritan Township has satisfied the applicable Growth Share parameters as follows:

#### **Growth Share Rental Obligation:<sup>10</sup> 129 Units**

<b>Development/Project Name</b>	<b>Type of Affordable Unit</b>	<b># Units</b>	<b># Units Addressing Rental Obligation</b>
Oakridge at Flemington inclusionary development	Family Rental	16	16
The Mews (Countryside) Municipally Sponsored 100% Affordable Project	Family Rental	6	6
The Mews (Countryside) ARC group homes	Supportive/Special Needs	4	4
ARC group home I	Supportive/Special Needs	5	5
Raritan Motorsports	Family Rental	2	2
Cedar Grove Shopping Center	Family Rental	6	6
Hunterdon Medical Center	Family Rental	5	5
Flemington South Gardens-extension of expiring controls	Age-Restricted Rental	96	17
Flemington Junction Municipally Sponsored 100% Affordable Project	Family Rental	84	0
Dayton Road Municipally Sponsored 100% Affordable Project	Family Rental	104	60
ARC group home II	Supportive/Special Needs	4	4
Stickel group home	Supportive/Special Needs	4	4
<b>TOTAL</b>		<b>336</b>	<b>129</b>

<sup>10</sup> Projected Growth Share Rental Obligation:  $.25(\text{Projected Growth Share})$  or  $.25(515) = 128.75$  or 129 units  
N.J.A.C. 5:97-3.10(b)3

**Growth Share Family Rental Requirement:<sup>11</sup> 65 Units**

<b>Development/Project Name</b>	<b>Type of Affordable Unit</b>	<b># Units</b>	<b># Bonuses*</b>
Oakridge at Flemington inclusionary development	Family Rental	16	0
The Mews (Countryside) Municipally Sponsored 100% Affordable Project	Family Rental	6	0
Raritan Motorsports	Family Rental	2	0
Cedar Grove Shopping Center	Family Rental	6	0
Hunterdon Medical Center	Family Rental	5	0
Flemington Junction Municipally Sponsored 100% Affordable Project	Family Rental	84	84
Dayton Road Municipally Sponsored 100% Affordable Project	Family Rental	104	44
<b>TOTAL</b>		<b>223</b>	<b>128</b>
<b>Surplus</b>		<b>158</b>	

\*Subject to bonus maximum pursuant to N.J.A.C. 5:97-3.20

<sup>11</sup> Projected Growth Share Family Rental Requirement: .5(Projected Growth Share Rental Requirement) or .5(129)=64.5 or 65 units N.J.A.C. 5:97-3.4(b)

**Growth Share Minimum Family Requirement:<sup>12</sup> 194 Units**

<b>Development/Project Name</b>	<b>Type of Affordable Unit</b>	<b># Units</b>
Oakridge at Flemington inclusionary development	Family Rental	16
Stonegate inclusionary development surplus units	Family For-sale	2
The Mews Municipally Sponsored 100% Affordable Project	Family Rental	6
Flemington Junction Municipally Sponsored 100% Affordable Project	Family Rental	84
Raritan Motorsports	Family Rental	2
Cedar Grove Shopping Center	Family Rental	6
Hunterdon Medical Center	Family Rental	5
Dayton Road Municipally Sponsored 100% Affordable Project	Family Rental	104
Linque Inclusionary Development	Family For-sale	50
<b>TOTAL</b>		<b>275</b>

<sup>12</sup> Projected Growth Share Family Requirement: .5 (Units Addressing the Growth Share Obligation) or .5(515-128)= 193.5 or 194 units N.J.A.C. 5:97-3.9

**Very Low Income Minimum Requirement:<sup>13</sup> 50 Units**

<b>Development/Project Name</b>	<b>Type of Affordable Unit</b>	<b># Units</b>
Cedar Grove Shopping Center	Family Rental	1
Flemington Junction Municipally Sponsored 100% Affordable Project	Family Rental	9
Dayton Road Municipally Sponsored 100% Affordable Project	Family Rental	21
Linque Inclusionary Development	Family For-sale	5
The Mews (Countryside) ARC group homes	Supportive/Special Needs	4
ARC group home I	Supportive/Special Needs	5
ARC group home II	Supportive/Special Needs	4
Stickel group home	Supportive/Special Needs	4
<b>TOTAL</b>		<b>53</b>

**Age-Restricted Maximum:<sup>14</sup> 128 Units**

<b>Development/Project Name</b>	<b>Type of Affordable Unit</b>	<b># Units</b>
Flemington South Gardens-extension of expiring controls	Age-restricted Rental	96
<b>TOTAL</b>		<b>96</b>

<sup>13</sup> Growth Share Very Low Income Requirement: .13(Units Addressing the Growth Share Obligation) or .13(515-128)= 50.31 or 50 units N.J.S.A. 52:27D-329.1

<sup>14</sup> Projected Growth Share Age Restricted Maximum: .25(Projected Growth Share) or .25(515)= 128.75 or 128 units N.J.A.C. 5:97-3.10(c)2

**Bonus Maximum:<sup>15</sup> 128 Bonuses**

<b>Development/Project Name</b>	<b>Type of Bonus</b>	<b># Bonuses</b>
Flemington Junction Municipally Sponsored 100% Affordable Project	Rental	84
Dayton Road Municipally Sponsored 100% Affordable Project (out of 104 total units)	Rental	44
<b>TOTAL</b>		<b>128</b>

**Actual Growth Share Obligation**

The actual growth share obligation will be based on permanent certificates of occupancy issued within the municipality for market-rate residential units and newly constructed or expanded non-residential developments in accordance with Appendix D of N.J.A.C. 5:97. At plan evaluation review pursuant to N.J.A.C. 5:96-10, COAH will compare the actual growth share obligation with the actual number of affordable units constructed.

The New Jersey Department of Community Affairs (NJ DCA) *Construction Reporter* indicates that between January 1, 2004 and September 2008, Raritan has issued certificates of occupancy for 453 housing units and for the non-residential square footage equivalent of 2,835 jobs, yielding an actual growth share obligation through September 30, 2008, of 268 affordable units.<sup>16</sup>

<sup>15</sup> Projected Bonus Maximum:  $.25(\text{Projected Growth Share})$  or  $.25(515) = 128.75$  or 128 units N.J.A.C. 5:97-3.20

<sup>16</sup> The number of residential COs (453) is divided by 5 to yield 90.6 units and the number of jobs (2,835) is divided by 16 to yield 177.2 units. Raritan's total estimated actual growth share is therefore 268 units ( $90.6 + 177.2$ ). **Note:** this estimate does not take into account allowable exclusions permitted under N.J.A.C. 5:97-2.5; therefore, the actual growth share may vary.



**D. Summary of Plan to Address Fair Share Obligation**

**REHABILITATION SHARE SUMMARY**

**Rehabilitation Share: 16 Units**

<b>Program Name</b>	<b># Units</b>
Municipal Rehab Program	16
<b>TOTAL</b>	<b>16</b>

**PRIOR ROUND SUMMARY**

**Prior Round Obligation: 360 Units**

	<b>Name of Mechanism</b>	<b># Units/ Bedrooms</b>	<b>Bonus Type</b>	<b># Bonuses</b>	<b>Total Units/Bedrooms + Bonuses</b>
<b>Prior Cycle Credits</b>	Easter Seals group homes	18			<b>18</b>
	ARC group home	5			<b>5</b>
	Good News Home	3			<b>3</b>
	Cherryville group home	4			<b>4</b>
	Ringoes group home	3			<b>3</b>
<b>Post-1986 Credits</b>	Flemington South Gardens 100% affordable	96	Rental	14	<b>110</b>
	South Main Village inclusionary development	13	-	-	<b>13</b>
	Village Commons inclusionary development	2	Rental	2	<b>4</b>
	Stonegate inclusionary development	8	-	-	<b>8</b>
	New Brunswick RCA	54	-	-	<b>54</b>

	<b>Name of Mechanism</b>	<b># Units/Bedrooms</b>	<b>Bonus Type</b>	<b># Bonuses</b>	<b>Total Units/Bedrooms + Bonuses</b>
	New Brunswick RCA	14	-	-	<b>14</b>
	New Brunswick RCA	53	-	-	<b>53</b>
	New Brunswick RCA	3	-	-	<b>3</b>
	Lambertville RCA	20	-	-	<b>20</b>
	Good News Home	14	Rental	14	<b>28</b>
	Morning Star	10	Rental	10	<b>20</b>
		<b>320</b>		<b>40</b>	<b>360</b>
<b>TOTAL</b>					<b>360</b>

### GROWTH SHARE SUMMARY

#### Projected Growth Share Obligation: 515 Units

	<b>Name of Mechanism</b>	<b># Units/Bedrooms</b>	<b>Bonus Type</b>	<b># Bonuses</b>	<b>Total Units/Bedrooms + Bonuses</b>
<b>Post-1986 Credits</b>	Oakridge at Flemington inclusionary development	16	-	-	<b>16</b>
	Stonegate inclusionary development surplus units	2	-	-	<b>2</b>
	The Mews (Countryside) Municipally Sponsored 100% Affordable Project	6	-	-	<b>6</b>
	The Mews (Countryside) ARC group homes	4	-	-	<b>4</b>

	<b>Name of Mechanism</b>	<b># Units/Bedrooms</b>	<b>Bonus Type</b>	<b># Bonuses</b>	<b>Total Units/Bedrooms + Bonuses</b>
	ARC group home I	5	-	-	5
	Raritan Motorsports	2	-	-	2
	Cedar Grove Shopping Center	6	-	-	6
	Hunterdon Medical Center	5	-	-	5
	M & R Development	0	-	-	0
<b>Subtotal</b>		<b>46</b>		<b>0</b>	<b>46</b>
<b>Proposed Mechanisms</b>	Flemington South Gardens-extension of expiring controls	96	-	-	96
	Flemington Junction Municipally Sponsored 100% Affordable Project	84	Rental	84	168
	Dayton Road Municipally Sponsored 100% Affordable Project	104	Rental	44	148
	ARC group home II	4	-	-	4
	Stickel group home	4	-	-	4
	Linque Inclusionary Zoning	50	-	-	50
<b>Subtotal</b>		<b>342</b>		<b>128</b>	<b>470</b>
<b>TOTAL</b>					<b>516</b>
<b>Surplus</b>					<b>+1</b>

### **III. FAIR SHARE DOCUMENT REVIEW**

#### **A. Development Fee Ordinance**

Raritan's certified plan included a development fee ordinance that was approved by COAH on April 12, 1995, and adopted by the Township on April 24, 1995. Raritan received approvals of amendments to the development fee ordinance on July 12, 1995, (adopted on June 24, 1995) and March 26, 2004 (adopted on April 8, 2004). Raritan submitted a draft amended development fee ordinance for COAH's review and approval with its third round petition, which was approved by COAH on June 16, 2009.

#### **B. Third Round Spending Plan**

Raritan's prior round spending plan was approved by COAH on October 11, 1995. A revised third round spending plan was submitted by Raritan with the Township's third round petition for COAH's review and approval. The spending plan was approved by COAH on September 9, 2009.

#### **C. Affordable Housing Ordinance/Affordable Housing Administration**

Raritan has submitted an affordable housing ordinance that comports with the requirements of the UHAC, which was amended on December 20, 2004, including compliance with the barrier free subcode of the State Uniform Construction Code Act (N.J.S.A. 52:27D-119 et seq.) and the accessibility requirements of N.J.S.A. 52:27D-123.15. The draft ordinance must be adopted within 45 days of COAH's grant of substantive certification and submitted to COAH immediately upon adoption.

An ordinance establishing the position of a municipal housing liaison was adopted by the Township on June 19, 2006, and a resolution appointing a municipal housing liaison was adopted by the Township on March 17, 2009.

Raritan is responsible for the continued re-sale and re-rental of existing affordable units and the initial sale and rental of newly constructed affordable units within the Township and must designate an experienced administrative entity for that purpose. Raritan has submitted its most recent contract with the Somerset County Coalition on Affordable Housing (SCCOAH), the

entity that administers its affordable housing units. The Ingerman Group will act as the administrative agent for the Flemington Junction Project.

Prior to marketing affordable units in any of the Township's proposed project, Raritan must submit the following to COAH:

1. A draft or adopted operating manual that includes a description of the program procedures and administration in accordance with UHAC;
2. An affirmative marketing plan in accordance with UHAC; and
3. Designation of an experienced administrative agent, including a statement of his or her qualifications, in accordance with N.J.A.C. 5:96-18

As indicated above, within 45 days of substantive certification, the Township must submit a contract with an administrative agent and an operating manual for the administration of the rehabilitation program.

#### **D. Affirmative Marketing Plan**

Raritan has submitted an affirmative marketing plan. The affirmative marketing plan will be reviewed for conformance with the requirements of the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 *et seq.*, to ensure the units in the Township's 1987-2018 Fair Share Plan and all future affordable housing units will be affirmatively marketed to the region upon initial sale/rental and re-sale/re-rental. Once approved by COAH, the affirmative marketing plan must be adopted by resolution by the Township and submitted to COAH.

### **IV. SUMMARY OF MEDIATION**

#### **A. Objections**

COAH initially received three objections to Raritan's Housing Element and Fair Share Plan: by Linque Flemington, II, LLC (Linque), Raritan Junction, LLC (Raritan Junction), and Beazer Homes. Linque subsequently withdrew its objection on January 12, 2010, after executing an agreement with the Township on January 5, 2010.

## **B. Mediation**

Mediation between the Township and Raritan Junction and Beazer Homes took place in COAH's offices in Trenton on December 14, 2009. Linque did not attend mediation. The mediation session did not result in an agreement between the Township and the other parties.

Mediation concluded on December 14, 2009. The Mediation Report prepared by the mediator, Matthew H. Rudd Esq., is attached hereto as Attachment 1. The mediator concluded that there are no contested issues of material fact which necessitate referral to the Office of Administrative Law.

## **V. MONITORING**

Raritan must comply with COAH monitoring requirements as set forth in N.J.A.C. 5:96-11, including reporting the municipality's actual growth pursuant to N.J.A.C. 5:97-2.5. As indicated above, credits for built units will be validated and verified by COAH staff during monitoring prior to the first biennial plan evaluation. It should be noted that credits for affordable housing programs and/or affordable units must be in compliance with N.J.A.C. 5:97-4. If the units are determined not to be eligible for credit, COAH will notify Raritan in writing and the Township may be directed to amend its certified plan to address the shortfall.

Pursuant to N.J.A.C. 5:96-10.1, COAH will conduct biennial plan evaluations upon substantive certification of Raritan's Housing Element and Fair Share Plan. The purpose of the plan evaluation is to verify that the construction or provision of affordable housing has been in proportion to the actual residential growth and employment growth in the municipality and to determine that the mechanisms addressing the projected growth share obligation continue to present a realistic opportunity for the creation of affordable housing. If upon any biennial review the difference between the number of affordable units constructed or provided in Raritan and the number of units required pursuant to N.J.A.C. 5:97-2.5 results in a prorated production shortage of 10 percent or greater, Raritan is not adhering to its implementation schedules pursuant to N.J.A.C. 5:97-3.2(a)4, or the mechanisms addressing the projected growth share obligation no longer present a realistic opportunity for the creation of affordable housing, the Council may direct the Township to amend its plan to address the shortfall.

## **VI. RECOMMENDATION**

COAH staff recommends that Raritan Township's Mediation Report be accepted and that the Township be granted third round substantive certification. Raritan must adopt all necessary implementing ordinances within 45 days of the grant of substantive certification and submit certified copies of the adopted ordinances to COAH within seven days of the adoption. This includes the affordable housing ordinance and the zoning ordinance for the Linque site. In addition, the Township must submit an executed contract with an administrative agent and an operating manual for the administration of the rehabilitation program within 45 days of the grant of substantive certification.

# *Attachment 1*



**MEDIATION REPORT**  
**Raritan Township/Hunterdon County**  
**Matthew H. Rudd Esq., COAH Mediator**  
**Maria Connolly, COAH Planner**

On December 14, 2009 mediation was held between representatives for Raritan Township and Raritan Junction, LLC (Raritan Junction) and Beazer Homes Linque Flemington, II, LLC. (Linque) filed an objection but did not participate in mediation. COAH was advised that Linque and the Township entered into an agreement. The Township representatives also met with representatives from MBI Development Company, Inc. which is part of The Ingerman Group (Ingerman). Ingerman is the contract purchaser of the site owned by Junction Road Associates, designated in the Raritan Fair Share Plan as Flemington Junction Municipally Sponsored 100% Affordable Project- Ingerman.

Appearing on behalf of the Township were John P. Belardo Esq., Jamie Sunuak PP, Jeffrey Kuhl, Chairman Township Planning Board, Tom Antosiewicz, Committeeman and Member of the Township Planning Board.

Appearing on behalf of Raritan Junction were Darren Leotti Esq., David N. Kinsey PP, and Scott Loventhal, corporate officer.

Appearing on behalf of Beazer Homes were Thomas Mirande, Vice-President, and James Kyle PP/ACIP.

Appearing on behalf of Ingerman were James M. Reynolds, General Counsel, and Sam Tarantini, Development Principal.

**BACKGROUND**

On January 5, 1988, Raritan Township received first round substantive certification. On October 11, 1995 Raritan received second round substantive certification. On July 27, 2005 substantive certification was extended for the Township. On March 30, 2009, Raritan Township's Housing Element and Fair Share Plan, and Petition for Third Round Substantive Certification were deemed complete.

Raritan Township has a third round rehabilitation share obligation of 16 units. The Township's third round prior round obligation is 360 units and the projected growth share obligation is 515 units.

## ISSUES AT MEDIATION

The Township representatives met first with the Raritan Junction representatives. Raritan Junction provided aerial photos and drawings of a proposal. The proposal includes the razing of the existing warehouse, which is contaminated. A Cosco store would be built on the site, with twelve acres of affordable housing, parking for the local High School and a small dedicated park area. The proposal would require re-zoning. The Township could consider a Redevelopment Plan. There might be fiscal benefits to the creation of a Cosco site in the Township. The Township representatives discussed the potential development of this site. Although the Township representatives showed interest in the potential development possibilities of the site, no interest was expressed to include the site in the Township's third round Fair Share Plan. Mediation was closed as to Raritan Junction.

The Township representatives next met with the representatives for Beazer Homes. Beazer Homes presented a drawing for a proposed inclusionary project on the Beazer site; 204 market units and 51 affordable housing units. The prior proposal was for a 100 percent affordable HMFA tax credit project. Beazer felt that the tax credit projects may prove difficult to come by in the near future and wants the Township to consider an inclusionary project where the Township would not be responsible for the costs. The Township explained that it was never comfortable with residential usage for the site because it is near the railroad tracks, auto dealerships, and other commercial uses and not near retail and shopping centers. Both the Township and Beazer Homes are aware that Hanna Farms maybe interested in the site for commercial use. The Township said that it would be willing to help facilitate communication and would discuss Township approvals for a commercial use by Hanna Farms. Mediation was closed as to Beazer.

Linque did not participate in mediation. In January 2010, Linque provided to COAH a signed settlement agreement. The details of the agreement are in the Compliance Report. The Linque inclusionary zoning project is part of the Township's Fair Share Plan.

Lastly, the Township representatives met with the Ingerman representatives. Ingerman is not an objector, but has a project in the Fair Share Plan. Ingerman as contract purchaser, proposes to develop 10.44 and 1.15 acres site owned by the Junction Road Associates. Raritan rezoned the site on April 28, 2008, to R-10, 100% Affordable Housing, to permit the development of a municipally sponsored 100% affordable housing project. Ingerman asked for mediation time because they advise that there option on the site is expiring and the site owner is not willing to continue the option without receiving financial consideration. Ingerman is seeking the Township's financial support to maintain rights to the site. COAH also seeks the meeting because there are issues surrounding the timely dedication of the site for the proposed project which is included in the Township's Fair Share Plan. The Township and Ingerman agreed to reach out to the seller to discuss the continuation of the commitment of the site for the Ingerman project. There was discussion on setting up an actual meeting to facilitate communication with the seller.

Ingerman also discussed with the Township tax credit opportunities that could be realized in the near future if Ingerman was sure that the site was committed for another 24-36 months. On January 4, 2010, it appears from phone conversations that Township representatives did meet with Ingerman representatives and a representative from Junction Road Associates, Greg Ninski. COAH has been advised by Mr. Belardo that the owner's of the site were seeking a sum of money from the Township to continue Ingerman's option. Mr. Belardo states that the sum sought was too great and the Township would not pay for the option. Notwithstanding, Mr. Belardo maintained that the Ingerman development still represented to the Township a viable component of Raritan's Fair Share Plan.

### **MEDIATION OUTCOME**

The mediation in this matter has resulted in a settlement between the Township and Linque, as to the Linque project which is already part of Raritan's Fair Share Plan.

Dialogue has been opened between Township representatives and the Raritan Junction representatives pertaining to the development of the Raritan Junction site. The Raritan Junction site is not included in the Township's Fair Share Plan and mediation is closed as to Raritan Junction. The COAH Mediator pursuant to N.J.A.C. 5:96-8.2(d) determined that there are no outstanding contested issues of material fact that necessitate consideration by COAH or transfer to the Office of Administrative Law. The Township is not including the objector's site in a re-petition and does not have a shortfall in its Fair Share Plan. No agreement was entered into between the Township and Raritan Junction representatives. Mediation was completed and closed as to Raritan Junction by the COAH Mediator.

Dialogue has also been opened between the Township representatives and the Beazer Homes representatives. Mediation is concluded as to the objection filed by Beazer Homes. The COAH Mediator pursuant to N.J.A.C. 5:96-8.2(d) determined that there are no outstanding contested issues of material fact that necessitate consideration by the COAH Council or transfer to the Office of Administrative Law. The Township is not including the objector's site in a re-petition and does not have a shortfall in its Fair Share Plan. No agreement was entered into between the Township and Beazer Homes representatives. Mediation was completed and closed as to Beazer Homes by the COAH Mediator.

On June 1, 2010, Ingerman negotiated an amended and restated agreement on the Flemington Junction Municipally Sponsored 100% Affordable Project. Ingerman was never a proper objector in this matter. Notwithstanding, mediation is closed as to Ingerman